



# MOUNTAINS RECREATION & CONSERVATION AUTHORITY

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## MEMORANDUM

TO: The Governing Board

FROM:  Joseph T. Edmiston, FAICP, Executive Officer

DATE: June 7, 2006

SUBJECT: **Agenda Item VI(d): Consideration of resolution rescinding the adoption of MRCA Resolution 05-69.**

Staff Recommendation: That the Governing Board adopt the resolution rescinding the adoption of MRCA Resolution 05-69.

Legislative Authority: California Government Code Section 6500, *et seq.*

Background: The MRCA Financing Corporation ("Corporation") was duly incorporated on December 12, 2002 as a nonprofit benefit corporation under the laws of the State of California, to be the recipient of a loan from Zion's Bank. Acceptance and disbursement of the Zion's Bank loan was intended primary purpose of the Corporation. Under Article IV, Section 2 of the Corporation's Bylaws, the Corporation may be dissolved by a vote of the Directors.

On July 6, 2005, the Governing Board adopted Resolution 05-69, which found that the business of the Corporation was complete and authorized staff to undertake necessary actions to dissolve the Corporation.

However, during the multi-part dissolution process, involving three separate agencies of the State of California, it became clear that the services of the Corporation would be required to secure the revolving line of credit the MRCA is currently finalizing.

Staff subsequently postponed the dissolution of the Corporation pending approval of the Governing Board.